

105TH CONGRESS  
1ST SESSION

# H. R. 2558

To amend title XVIII of the Social Security Act to provide for payment for hospital outpatient department services equal to payment rates established for similar services provided outside the hospital setting.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 25, 1997

Mr. STARK introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend title XVIII of the Social Security Act to provide for payment for hospital outpatient department services equal to payment rates established for similar services provided outside the hospital setting.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Medicare Hospital  
5 Outpatient Payment Fairness Act of 1997”.



1 **SEC. 2. BASING MEDICARE PAYMENT FOR HOSPITAL OUT-**  
2 **PATIENT DEPARTMENT SERVICES ON PAY-**  
3 **MENT RATES FOR SIMILAR SERVICES PRO-**  
4 **VIDED OUTSIDE THE HOSPITAL SETTING.**

5 (a) IN GENERAL.—Section 1833(t)(1) of the Social  
6 Security Act (42 U.S.C. 1395l(t)(1)), as added by section  
7 4523(a) of the Balanced Budget Act of 1997 (Public Law  
8 105–33), is amended—

9 (1) in subparagraph (A), by inserting  
10 “subject to subparagraph (C),” after “1999,”  
11 and

12 (2) by adding at the end the following new  
13 subparagraph:

14 “(C) USE OF RATES IN NON-HOSPITAL  
15 SETTINGS.—With respect to covered OPD serv-  
16 ices furnished on or after January 1, 2000, if  
17 payment may be made under this part for simi-  
18 lar services (such as physicians’ services) fur-  
19 nished outside the hospital setting, in accord-  
20 ance with regulations of the Secretary, the total  
21 amount of payment under this part for such  
22 covered OPD services (including any facility-re-  
23 lated component to such services) shall be de-  
24 termined on the same basis on which payment  
25 may be made for such similar services furnished  
26 outside the hospital setting.”.

1 (b) CONFORMING AMENDMENT.—The fifth sentence  
 2 of section 1866(a)(2)(A) of such Act (42 U.S.C.  
 3 1395cc(a)(2)(A)), as added by section 4523(b) of the Bal-  
 4 anced Budget Act of 1997, is amended by inserting “, or  
 5 in the case described in section 1833(t)(1)(C), the coinsur-  
 6 ance amount that would otherwise apply with respect to  
 7 the provision of the similar services referred to in such  
 8 section” before the period at the end.

9 **SEC. 3. MEDICARE PAYMENTS FOR INPATIENT HOSPITAL**  
 10 **SERVICES INVOLVING EMERGENCY CARE.**

11 (a) MEDPAC REPORT ON DRG WEIGHTING FAC-  
 12 TORS.—The Medicare Payment Advisory Commission (es-  
 13 tablished under section 1805 of the Social Security Act,  
 14 as inserted by section 4022(a) of the Balanced Budget Act  
 15 of 1997 (Public Law 105–33), shall submit a report to  
 16 Congress and the Secretary of Health and Human Serv-  
 17 ices, by January 1, 1999, on whether the DRG weighting  
 18 factors under section 1886(d)(4)(B) of the Social Security  
 19 Act for diagnosis-related groups associated with emer-  
 20 gency care are adequate to cover the costs of emergency  
 21 room use within discharges classified within such groups.

22 (b) ADJUSTMENT OF WEIGHTING FACTORS.—Taking  
 23 into account the report submitted under subsection (a),  
 24 the Secretary of Health and Human Services shall make  
 25 appropriate adjustments in the DRG weighting factors de-

1 scribed in subsection (a) for discharges occurring on or  
2 after January 1, 2000, as may be appropriate to ensure  
3 that hospital emergency room costs attributable to medi-  
4 care patients are appropriately covered.

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